

Executive Summary

This publication was compiled to provide the reader with a comprehensive understanding of gender responsive budget (GRB) initiatives. Divided into four sections, it provides a conceptual and theoretical framework, traces the evolution of work in this area, assesses the role of different stakeholders and highlights lessons learned to date. A profile of known activities at the country level shows how gender responsive budgets are being used as a pivotal tool with which to assess budgetary performance and impact.

GRB initiatives are intended to afford a mechanism by which governments, in collaboration with lawmakers, civil society groups, donor and other development agencies, can integrate a gender analysis into fiscal policies and budgets. A gender responsive budget is not a separate budget for women but an attempt to disaggregate expenditure and revenue according to their different impacts on women and men.

The idea of gender responsive budgets developed out of a growing understanding that macroeconomic policy can contribute to narrowing or widening gender gaps in areas such as incomes, health, education and nutrition and make the living standards of different groups of women and men better or worse. The Commonwealth Secretariat played a pioneering role in fostering this understanding in its work on women and structural adjustment. One of the most important areas of macroeconomic policy is a government budget. Bringing together public expenditure and public revenue, the budget as a policy statement reflects the social and economic priorities of a government. Although the provisions in a budget may appear to be gender neutral, they actually affect men and women differently because their roles, responsibilities and capacities in any society are never the same.

In her contribution, Diane Elson argues that national budgets generally underestimate women's contribution to the macroeconomy, discount the unpaid economy in which women perform most of the work of caring for and maintaining the

Programme Objectives of Gender Responsive Budget Initiatives:

- ◆ *To strengthen the capacity of governments to incorporate a gender analysis in the planning and evaluation of revenue-raising measures and expenditure allocations at all levels;*
- ◆ *To support strategies for women's participation in economic decision-making through their engagement in the budget process;*
- ◆ *To improve the mechanisms used by countries to account for action taken on international commitments to gender and development, including the CEDAW; and*
- ◆ *To contribute to the achievement of the International Development Targets (IDTs).*

labour force and the social framework, and disregard the effect that gender relations and the gender distribution of resources have on total production, savings, investment, etc.

Elson points to the economic costs of gender inequality and the growing awareness that such inequality is not only costly to women but to society as a whole. Research has shown that gender inequality reduces agricultural yields, hampers a positive supply response to structural adjustment measures and reduces the productivity of the next generation. Also, failing to invest in female education lowers the gross national product (GNP). On the other hand, eliminating gender discrimination across occupations and in salaries and benefits increases not only women's income but also national income. Other potential gains to society from the reduction of gender inequality include greater output of goods and services, more leisure, increased capability to live a satisfying life and better conservation of the environment.

There is also an increasing recognition that macroeconomic aggregates (and national economic prosperity) do not, as had been assumed, have a 'trickle down' effect. Rather, governments need to explicitly consider human development objectives when formulating macroeconomic policy. Elson contends that gender responsive budgeting can make such policy design more effective as it contributes to the reduction of gender inequality, and hence reduces gender constraints to successful macroeconomic outcomes. This improves economic

growth and human development performance in ways that also empower women.

Elson notes that the formulation of a national budget involves decisions at three levels: aggregate macroeconomic strategy, composition of expenditures and revenues, and effectiveness of service delivery. She offers a wide range of analytical tools for the integration of a gender perspective into these different levels, with an emphasis on public expenditure. These tools can be used individually or in combination and selected according to national circumstances.

When looking at the effectiveness of public expenditure, which is usually judged in terms of achieving the intended results at the lowest possible cost, a gender perspective introduces the questions of 'results for whom?' and 'costs to whom?' Some ways of addressing these questions include needs assessments, analysis of 'quality of service' indicators, beneficiary assessments, assessments of 'invisible' costs and assessments of benefits of equal opportunities in service delivery. Elson emphasises that indicators need to be disaggregated by gender in all these cases.

Expenditure and taxation policies have different implications for women and men and differentially affect their abilities to contribute to production for the market and the care of families and communities. These implications can be revealed through gender-disaggregated incidence analysis of public expenditure and of taxation and income transfers. An analysis can be made of the share of the budget that goes to the Ministry Responsible for Women's Affairs compared to other ministries, and gender-aware policy appraisals can be applied to facilities and policies of Ministries that provide collective services. Another important tool, which can bring together information on the implications of government expenditures for women, is a women's budget statement.

A GRB strategy might also include examining women's critical role in maintaining the social framework through the unpaid work that they do bringing up children to be responsible members of society, looking after the elderly and infirm, and strengthening family and community networks and voluntary organisations. Monitoring the time budgets of the country's

citizens can show whether the human resources of women and girls are being depleted by the demands of unpaid work, damaging the social framework and leading to reduced productivity and increased costs. The development of gender-aware medium-term economic policy frameworks is another valuable tool.

Decisions on budget policy are usually made by a small group of Ministers and officials in the Head of Government's Office, Ministry of Finance and/or Central Bank. To improve the efficiency gains and equity outcomes, Elson recommends that these Ministers and officials should collaborate with the Ministry Responsible for Women's Affairs and civil society groups. The Commonwealth Secretariat has already taken measures to facilitate such interaction by submitting reports on the gender impacts and macroeconomic policy issues to the meetings of Commonwealth Finance Ministers and Ministers Responsible for Women's Affairs, and through its partnership with IDRC and UNIFEM.

Like Elson, Guy Hewitt and Tanni Mukhopadhyay in their contribution point to the increasing recognition that economic growth is a necessary but not sufficient condition for the elimination of inequalities in society. State intervention in the market is thus needed to ensure that both efficiency and equity objectives are met, and gender responsive budgets can assist in this process. The authors provide a conceptual framework for GRB initiatives, suggesting that public expenditure for gender equality fits within a wider context of promoting economic growth and supporting social inclusion and human resource development. While GRB initiatives differ across countries and regions, the Commonwealth Secretariat has focused on an analysis of government expenditure in three categories: gender specific expenditures; expenditures that promote gender equity in the public service; and general or mainstream expenditures.

Hewitt and Mukhopadhyay argue that there are compelling reasons to ensure greater consistency between economic goals and social commitments and thus for undertaking GRB initiatives. The rationale most often put forward is the efficiency gains, since gender analyses improve targeting and

result in a more optimal use of limited public resources. Gender responsiveness is also a key feature of good governance which the authors argue, as it promotes participation, accountability and transparency, is a prerequisite for and essential component of sustainable human development. GRB initiatives further these processes of facilitating more open government since they foster dynamic and active partnerships with civil society groups, especially women's organisations, encourage the use of gender-disaggregated data in planning and evaluation, and improve the reporting on the social impacts and outcomes of government actions.

GRB initiatives also assist governments in fulfilling their commitments to international agreements and Commonwealth mandates. They build on the global consensus on the priority of gender equality, and are a practical application of gender mainstreaming, the current international approach to promoting equality between women and men.

The nature of GRB initiatives varies from country to country, and they have been undertaken at national, provincial or local levels. Some were coordinated and led by governments, others by civil society groups. Hewitt and Mukhopadhyay examine the role of different country-level actors and some of the strategies used, providing examples from Commonwealth country experiences. The Ministry of Finance, for example, has a key leadership role for several reasons. The participation of the Ministry Responsible for Women's Affairs is also central. The whole process needs to secure political support from the highest levels of government. Lawmakers also have an important role to play, either through participation in debates or their powers to amend budgets, and civil society should be fully involved.

The authors bring out some of the lessons learned from gender responsive budget analyses and processes, identifying a number of opportunities as well as challenges. The positive benefits that have emerged include an enhanced ability to determine the real value of resources targeted towards gender-specific groups; the challenge to notions of 'gender-neutrality' of many policies and programmes; and the strengthening of the collection and analysis of gender-disaggregated data. They then offer suggestions for strengthening GRB initiatives for implementation on a wider

scale, supported by the Commonwealth Secretariat and its new inter-agency partners, the International Development Research Centre (IDRC) and the United Nations Development Fund for Women (UNIFEM). Future programme directions include improving the efficacy of GRB initiatives as part of a strategy to increase collaboration between governments and civil society groups, increase the access of vulnerable groups to resources, goods and services, and improve the rate and distribution of the benefits of economic growth. Tools for revenue analysis also need to be developed that look at direct and indirect taxation and at user financing of basic social services.

Debbie Budlender has contributed two sections to this publication. The first is a global assessment of gender responsive budget initiatives, while the second provides a profile of country activities. Having been directly involved in GRB initiatives in more than 15 countries, Budlender is able to offer an overview of how the goals and objectives of the initiatives differ from country to country and illustrate the diversity of activities that have taken place under this heading.

In the global assessment, Budlender explains that the budget has proven a useful place to start work on engendering macro-economic policy because gender concerns are more visible in fiscal policy than in monetary policy. Since budgets have an annual cycle, this focus also allows the processes of analysis, problem identification, implementation of corrective measures, and monitoring and evaluation of impacts to be completed within a relatively short time. Further, GRB initiatives can be implemented at the country level with a relatively small amount of resources.

The goals and objectives of GRB initiatives differ according to country and the particular stakeholders' interests. One advantage of having varied objectives is that these initiatives appeal to a broad range of actors many of whom would not normally be concerned with gender issues; finance and budget officials are targeted and engaged in a practical way allowing them to understand and respond to issues of gender inequality.

Like Hewitt and Mukhopadhyay, Budlender stresses that there are many potential players in GRB initiatives at the country level. Her recommendation is that, where possible, these

initiatives should try to involve all those who can have a significant impact on making government budgets more responsive to gender concerns. The government has been the main focus of the Commonwealth Secretariat initiative and Budlender notes that, along with the Ministry of Finance and Ministry Responsible for Women's Affairs, other ministries such as health, education and agriculture have often played a significant role. The support of senior officials in these sectors thus needs to be gained. It is important for GRB initiatives to target the bureaucracy as well as the legislature in order to change budget policy and outcomes since the budget has usually been finalised by the time it is presented to parliament.

Civil society participation in GRB initiatives is facilitated by a broad common purpose of actors inside and outside government. From within civil society, it is usually NGOs who take the lead. According to Budlender, these NGOs are often comprised of women who are contemporaries of those in government, which facilitates greater collaboration. Men have also played a significant role and featured as the 'target group' for lobbying and training in government initiatives because of the dominant role they play in budgetary decision-making. Some of the initiatives have drawn on academics and research institutions to assist with the research, or even training. Apart from institutions, strategically-located individuals have also been extremely important in ensuring the achievements of the more successful initiatives, although Budlender warns against reliance on individuals in case the initiatives are not carried through when these 'champions' are no longer around.

Research can play an important role in GRB work. It needs to be sophisticated enough to convince those with technical knowledge, while being simple enough to be understood by less technical gender advocates. Most gender responsive budget analysts complain about having too little information, particularly gender-disaggregated data, but even limited information can be useful for advocacy and mobilisation. On the other hand, there can also be a problem of having too much data, particularly when most of it is not organised in a form that is useful for analytical purposes.

A number of analytical tools for budgetary expenditure analysis

are outlined by Budlender, as well as several basic frameworks which, with variations, have served as the basis of many exercises to date. Some GRB initiatives, especially those not undertaken by government, have focused on the budget process itself. An understanding of this process can help identify places where particular groups of actors can have an impact and should be involved. It may also reveal that there is a lack of communication between those responsible for the various steps involved in developing and implementing budgets. This situation can sometimes be helped through workshops that bring the different groups together.

Budlender underlines the importance in any workshop of acknowledging and respecting participants' knowledge as well as of providing the opportunity for participants and facilitators to learn from each other. Almost all GRB initiatives include some element of training or capacity building for researchers, for different types of advocates and for government officials. Such training, especially when directed at government officials, needs to provide clear guidelines and methodologies and be located within a wider implementation strategy and capacity building process. She notes that where training has been organised without the purpose, target group and follow-up being clearly identified, it has proven to be unsatisfactory for both organisers and participants. Since the resources available to support gender and other developmental programmes are limited, it is vital to be clear as to the objectives, strategies and processes of all planned activities.

In terms of international donor participation in GRB initiatives, Budlender notes that a number of multilateral and bilateral agencies have provided support. Sometimes, however, the specific departments involved have reported opposition from their colleagues, particularly from those in the economic affairs sections. Also, the support may be limited in terms of scope and actors. In several countries, there are reports of misunderstanding and even opposition to introducing gender into discussions of macroeconomics, or even poverty reduction strategies. Where gender is introduced, it may only be in a limited way. International NGOs and development agencies are more likely to fund initiatives that focus on civil society, as some bilaterals have been restricted by their need to obtain

permission from the governments prior to providing support to NGO activities.

One of the drawbacks of donor support is financial dependency and the dangers this poses to the sustainability of the project. Budlender notes that there is also some opposition among both governments and NGOs to donor-driven initiatives. Because of the necessity of country ownership, and since GRB initiatives are also about (self) governance and democracy, the author notes that the Commonwealth Secretariat, IDRC and UNIFEM prefer to support initiatives that have been planned and are being undertaken at the country level rather than initiating action.

Several countries have also initiated gender responsive budgets at the sub-national level and Budlender believes that there should be more work at this level. She suggests that local level interventions make sense given that many countries are increasingly decentralising administrative functions and budgets. However, she recommends keeping in mind that, in many countries, national leaders tend to be more aware of and sensitive to gender equality issues than local leaders.

Although the implementation of the projects needs to be country-specific, the author suggests that regional or broader inter-country initiatives might be useful in raising awareness and strengthening capacity. Good practices from elsewhere have and should be used to inspire initiatives in other countries. However, this should mean the application of the idea and objectives rather than simply seeking to replicate the format or approach. In order for those involved in GRB initiatives to learn from each other, it is important for them to highlight and share experiences, both the strengths and weaknesses. No country can claim that its budget is totally gender responsive. Moreover, the success of the initiatives should not be measured only in terms of changes in budgets. Budlender points out that it is an objective in itself to get people – and especially women – involved and doing things. Similarly, building partnerships and changing the outlook of civil servants and other people in positions of power on gender issues may not be immediately visible in budget and policy terms, but can facilitate later changes.

The country profiles in section four make apparent the strengths and weaknesses, opportunities and challenges facing gender responsive budgets. In these, Budlender draws on her wide experience to offer an honest assessment of the projects and show both the successes and the failures.